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FISCAL IMPACT STATEMENT

LS 6841

BILL NUMBER: HB 1369

NOTE PREPARED: Dec 23, 2004

BILL AMENDED:

SUBJECT: Fire Protection District Emergency Borrowing.

FIRST AUTHOR: Rep. Tincher

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill authorizes emergency short-term borrowing by a fire protection district and an excessive levy appeal for a fire protection district that borrows for three consecutive years.

Effective Date: July 1, 2005.

Explanation of State Expenditures: The appeal and short-term borrowing by a fire protection district are not eligible for the state Property Tax Replacement or Homestead Credits.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: The number of fire protection districts that might use the emergency short-term borrowing provisions and the excessive levy appeal provision is unknown. There are 47 fire protection districts in the state with budgets of about \$17.8 M in CY 2004 and levies of \$13.2 M. A fire protection district could apply for an appeal once every four years, and the amount of the appeal is the least of the amounts borrowed during the three previous years.

State Agencies Affected: Department of Local Government Finance.

Local Agencies Affected: Fire Protection Districts.

Information Sources: Local Government Database.

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